

# Nebraska Public Service Commission

COMMISSIONERS:  
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ROD JOHNSON  
FRANK E. LANDIS  
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EXECUTIVE DIRECTOR:  
ANDY S. POLLOCK



300 The Atrium, 1200 N Street, Lincoln, NE 68508  
Post Office Box 94927, Lincoln, NE 68509-4927  
Website: [www.psc.state.ne.us](http://www.psc.state.ne.us)  
Phone: (402) 471-3101  
Fax: (402) 471-0254

NEBRASKA CONSUMER HOTLINE:  
1-800-526-0017

February 7, 2006

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W., TW-A325  
Washington, D.C. 20554

## EX PARTE PRESENTATION

Re: CC Docket No. 99-200. In the Matter of the Petitions by the Michigan PSC, Missouri PSC, Nebraska PSC, New York State Department of Public Service, PUC of Ohio, Oklahoma CC, Washington UTC and West Virginia PSC for Mandatory Thousands-Block Number Pooling Outside the Top 100 MSAs. Response to NTCA *ex parte* presentation of January 25, 2006.

Dear Ms. Dortch:

The Nebraska Public Service Commission (NPSC) submits this written *ex parte* presentation in response to the National Telecommunications Cooperative Association (NTCA) filing of January 25, 2006 in the above-captioned matter. The NTCA advocates the Commission reject any proposal for blanket approval of number pooling authority. In this written presentation, the NPSC wishes to respond to a number of the arguments advanced by the NTCA.

### **1. Rural carriers who are not LNP-capable or exempt should remain exempt from number pooling.**

#### NTCA Points

- a. Some rural telephone companies are exempt from the FCC's number pooling requirements because they have not received a request to provide LNP.
- b. Also exempt from number pooling are rural carriers that are the only service provider receiving numbering resources in a given rate center.

- c. Rural carriers may be exempt because they are under a state suspension or modification of the number pooling [sic portability] requirements.

#### NPSC Response

The Nebraska Public Service Commission (NPSC) has taken a pro-active approach to extend the life of both the 308 and 402 area codes. While the focus has been on the 402 area code because of the few codes still available (73), the same conservation concepts would be applied to 308.

The NPSC draws a clear distinction between local number portability (LNP) capabilities and thousands-block number pooling (TBNP) capability and believes the two capabilities are mutually exclusive. A rural ILEC could participate in TBNP, allowing other carriers to use numbering resources from the same NPA-NXX code, and not be required to participate in LNP.

The NPSC believes it is necessary to have the ability to make available local numbering resources to carriers other than the incumbent in a timely manner without causing the unnecessary exhaust of the area code.

#### **2. Number pooling outside the top 100 MSAs will cost rural carriers hundreds of thousands of dollars.**

##### NTCA Points

- a. As NTCA has previously pointed out in this docket, the fixed cost to upgrade a rural ILEC's switch to be LNP-capable is between \$100,000 and \$200,000.
- b. Depending on the size of the rural ILEC and the area served, each rural carrier will incur the additional cost of their staff spending time, money and resources to implement, test, monitor and ensure that the systems work properly. This added cost can double or triple the actual cost to provide number pooling services to \$200,000 to \$600,000 per switch.

#### NPSC Response

In C-3049 (Commission Investigation into Possible Solutions for Extending the Life of Area Codes 308 and 402) the NPSC requested all carriers in Nebraska to identify which of their switches are TBNP and LNP capable and if not currently capable did they have intentions to upgrade their switches on their own in the future and what would the cost be (both hardware, software, and implementation) to implement TBNP and LNP. This record was established in December 2003 and was refreshed in December of 2004 and September of 2005.

Using the September 2005 data, for carriers that have not agreed to voluntarily participate in TBNP, who serve exchanges outside the Omaha MSA, 16 carriers have switches not currently capable of TBNP serving 89 rate centers. Of those, the average estimated total cost (hardware, software, and process changes) to upgrade a switch to become TBNP capable is \$24,488. The

maximum estimated cost was \$129,690 (aggregated cost by one carrier for 9 switches) with a minimum cost of \$8,242.

The NTCA ex parte cost estimates appear to be generalizations that are not consistent with, and greatly exceed, the information provided by the Nebraska carriers.

**3. The State Petitions do not discuss the economic impacts that rural carriers will experience under mandatory number pooling.**

**NTCA Points**

- a. None of the States have adequately demonstrated in their Petitions that they have considered number pooling's economic impact on rural carriers whose service territories lie outside the top 100 MSAs.
- b. The States have not demonstrated that participation by exempted small carriers in pooling will further the Commission's numbering resource optimization goals, so the Commission should not include small carriers in any relief granted.

**NPSC Response**

The NPSC believes that the investigations conducted under C-3049 looked at both traditional and non-traditional methods of conserving numbering resources and indicates the Commission is sensitive to the economic impact on rural carriers. However, based on the estimates provided by the carriers, the total cost of upgrading existing switches to support TBNP is significantly less than the cost and economic impact (stationary, business forms, directories, web sites, etc) to state, county, and local governments and the citizens of Nebraska necessary to implement a new Area Code. In addition, the cost of consumer education, confusion, resistance and frustration should be taken into account. All ratepayers, who ultimately pay the costs associated with expanding numbering resources, should have their interests considered simultaneous to those of the carriers.

**4. States are seeking numbering authority for Numbering Area Codes (NPAs) that are not in jeopardy.**

**NTCA Points**

- a. Five of the States are seeking mandatory number pooling for NPAs prematurely because the NPAs are not in jeopardy at the time the petition was filed.
- b. As a best-practices guide to filing numbering authority petitions, state commissions should include:
  - 1) the number of non-LNP-capable wireline carriers in the target NPA, and the number of those carriers that are rural ILECs;

- 2) data (not merely summary conclusions) demonstrating that the state commission has weighed the costs to non-LNP capable rural carriers of implementing number pooling;
- 3) the number and percent of rate centers in the target NPA that do not have mandatory number pooling or are excluded from such pooling; and
- 4) explanations, where appropriate, of why mandatory number pooling should be extended to NPAs that are not in jeopardy.

#### NPSC Response

The NPSC believes the NTCA comments indicate a general reactive position instead of the pro-active position this Commission would prefer to take. When the North American Numbering Plan Administrator (NANPA) declares an area code to be in jeopardy, by definition, there are only sufficient resources remaining in the code to allow a 18-24 month time frame (based on historical consumption) for implementation of a new area code.

On September 15, 1999 the NANPA notified the NPSC that the estimated exhaust date for area code 402 was 4Q2000 and that it would be necessary to begin relief planning. Since that time the NPSC has worked diligently to identify and implement all possible means of conserving the resources in area code 402. Based upon the latest NRUF information the current forecasted exhaust date for area code 402 is 2Q2007. In conjunction with C-3049 investigations, in late 2004 the NPSC requested NANPA to perform a pro forma analysis of the area code 402 exhaust date if mandatory pooling were implemented. Looking at only those exchanges where there were two or more carriers, the NANPA evaluation indicated that mandatory pooling could move the exhaust date from 2Q2006 to 3Q2010.

The NTCA listed four best practices they believe should guide the implementation of TBNP. The NPSC has used all of those items in analyzing ways to conserve the numbering resources of Nebraska.

#### **5. The Commission should clarify the extent of any relief it may grant.**

##### NTCA Points

- a. The Commission should clarify that where a state commission seeks number pooling authority for rate centers outside the top 100 MSAs that are local number portability (LNP) capable, that any delegated authority the Commission may give does not affect rate centers, or the rural ILECs who service those rate centers, that are not LNP-capable.
- b. Furthermore, the Commission should not expand that request to include rural ILECS or rate centers that are non-LNP capable, or whose state commissions have not filed NPA-specific petitions.

##### NPSC Response

The NPSC draws a clear distinction between local number portability capabilities and thousands-block number pooling capability and believes the

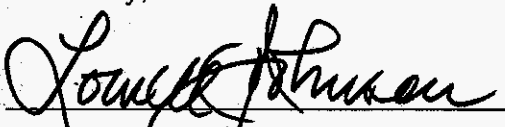
two capabilities are mutually exclusive. A rural ILEC could participate in TBNP, allowing other carriers to use numbering resources from the same NPA-NXX code, and not be required to participate in LNP.


Given the fluid nature of the requests for numbering resources, it is almost impossible to predict which rate center will be the next place that TBNP could save a full code. The NPSC currently reviews all number requests and actively interacts with carriers to identify alternate methods of providing the requested numbering resources without expending additional NPA-NXX codes.


### Conclusion

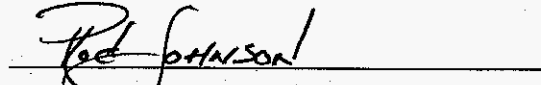
In summary, the NPSC has been actively engaged in the conservation of numbering resources in both the 308 and 402 area code since September of 1999 and has looked at both traditional and non-traditional methods. The Commission has made a conscious decision to take a pro-active approach to number conservation instead of a reactive approach. We believe the remaining available numbering resources in the 402 area code are at a level where the most significant tool to continue to conserve resources is TBNP in "non-traditional" rate centers on a case-by-case basis.

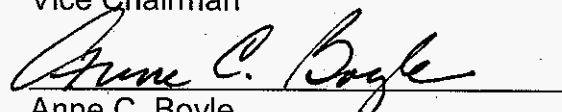
Sincerely,

  
\_\_\_\_\_  
Lowell C. Johnson  
Chairman

  
\_\_\_\_\_  
Frank E. Landis  
Commissioner

  
\_\_\_\_\_  
Gerald L. Vap  
Commissioner

  
\_\_\_\_\_  
Rod Johnson  
Vice Chairman

  
\_\_\_\_\_  
Anne C. Boyle  
Commissioner

cc: Kevin Martin, FCC Chairman, Room 8-B201, Federal Communications  
Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554  
Jonathan Adelstein, FCC Commissioner, Room 8-A302, Federal  
Communications Commission, 445 12th Street, SW, Washington, DC 20554  
Michael Copps, FCC Commissioner, Room 8-B115, Federal Communications  
Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554

Deborah Tate, FCC Commissioner, Room 8-A204, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554

Daniel Gonzalez, OCM, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554

Michelle Carey, Senior Legal Advisor, OCM, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554

Russell Hanser, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554

Jordan Goldstein, Legal Advisor, CM-MC, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554

Jessica Rosenworcel, Competition & Universal Service Legal Advisor, CM-MC, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554

Scott Bergmann, CM-JA, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington DC, 20554

Thomas Navin, WCB, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554

Lisa Gelb, OCG, Federal Communications Commission, 445 12<sup>th</sup> Street, SW, Washington, DC 20554